

Africa, neo-liberalism and anarchism.

Chekov Feeney

Contents

Neo-liberalism in 5 steps.	3
Anarchist resistance	4

While neo-liberal reforms have certainly affected workers in the West, it is in Africa where they have had most impact. Neo-liberal policies seek to reduce state control over the national economy in favour of private capitalists - the so-called 'free market'. These policies have been most widely applied in Africa for the simple reason that they are the policies promoted by the International financial institutions (IFI's), the World Bank, IMF and WTO. Many African countries are chronically broke. They must regularly borrow money to finance the public sector and to service their existing debt. The IMF is willing to provide loans but with a series of 'conditionalities' attached. These are neo-liberal reforms which must be carried out under the terms of the loan. The IMF deals are known as Structural Adjustment Programs and are very rarely welcomed by the government which implements them, never mind the ordinary people who are affected by them. Even where they have been rigorously enforced the SAP's have generally failed to show the predicted benefits such as increased foreign investment - Uganda being a good example.

The SAP's often impose harsh conditions which cause huge suffering amongst the poor and include changes that would never be accepted by the ruling class in the powerful countries since the reforms cause sudden, large changes for the worse in many people's lives. This sudden deterioration of standards of living often leads to instability and violence borne out of the desperation of the masses. Tellingly an SAP was one of the elements which contributed to the increased tension in the lead up to the Rwandan genocide.

The IFI's also contribute to the unequal system of trade between rich and poor countries by reinforcing the colonial division of enterprise. Africa is meant to be an exporter of raw materials so industrialisation will not be financed. In practice much of the raw materials exported from Africa such as coffee, cocoa and copper are bought by huge Western monopolies which have the power to set prices. Thus African exports of raw materials have over the years bought ever fewer manufactured imports from the West. By supporting this continued exploitation the IFI's reveal their imperialist nature.

Neo-liberalism in 5 steps.

In concrete terms the neo-liberal policies which have been widely implemented in Africa over the last 2 decades are:

1. Removal of state control over prices and money. This has meant that subsidies on basic goods such as food and fuel have been removed. In some countries even the most basic foodstuffs have become too expensive for the poor. Food riots against SAP measures have occurred all over the continent, notably in Zimbabwe. In Nigeria in June 2000, an IMF-driven increase in the price of fuel provoked a week long general strike and mass resistance. [The liberalisation of currency regulations allows capital to invest and disinvest in the country much more easily. This creates the possibility of capital flight and speculative attacks on the currency. Significantly Uganda and Ghana who have been model citizens in implementing IMF reforms both suffer from rampant devaluation of their currency causing inflation of prices and other economic problems.]
2. Large cuts in public spending. This has had several drastic effects. Firstly there have been massive layoffs of public sector workers in many countries. Hundreds of thousands of workers have been retrenched in places like Senegal, Zambia and Tanzania as a result of

SAP's. Other cutbacks in public spending have seen reduced social programs and increased charges. Current Structural Adjustment demands for Mozambique include a fivefold increase in health charges.

3. Privatisations of state owned corporations such as electricity, water and transport. These privatisations have often merely replaced a state monopoly with a private monopoly which has generally led to price rises and the effective barring of the services to vast numbers of the poor. In South Africa, electricity and water cut offs have become common in the townships of Soweto as part of the ANC's neo-liberal GEAR policy.
4. Policies to promote a 'flexible' workforce. This essentially means the large scale subcontracting of labour and a reduction in workers rights, wages and conditions. Workers at Wits University in Johannesburg recently saw their salaries cut by almost 70% and lost all of their benefits under a restructuring plan.
5. Policies to promote competitiveness. This involves reducing tariff barriers and reducing taxes on businesses and the rich to attract investment. As a result of this, local industries can be undermined by cheap imports as happened to the South African textile industry over the last few years causing massive job losses. Sales taxes (VAT) are introduced as alternatives to company and income tax. This causes increases in prices of goods for workers and big increases in profits for bosses. [In countries like Uganda and South Africa the introduction of VAT has faced considerable resistance.] 358

Anarchist resistance

There has been considerable opposition to many of the neo-liberal reforms in Africa. This opposition has normally come from community groups or independent trade unions. African anarchists have formed part of this resistance. In Nigeria the anarcho-syndicalist Awareness League was involved in the general strike against fuel price rises which succeeded in forcing the government to reduce the price significantly. Nigerian anarchists have also been establishing a small radio station to promote their ideas.

In South Africa anarchists have actively opposed the government's neo-liberal GEAR plan since its introduction in 1996. Most recently anarchists have been working in the Anti-Privatisation Forum (APF). The APF is an alliance of left wing activists, some radical unions and mass-based community groups such as the Soweto Electricity Crisis Committee whose constituency is numbered in millions. It was established to campaign against the privatisation of services in the government's IGOLI 2002 plan for privatising Johannesburg's municipal services. South African anarchists are committed to fighting privatisation every step of the way in the APF. They also write, publish and distribute anarchist literature through Zabalaza books and Bikisha media collective.

The Anarchist Library (Mirror)

Anti-Copyright



Chekov Feeney
Africa, neo-liberalism and anarchism.

http://struggle.ws/africa/accounts/chekov/neo_article.html

usa.anarchistlibraries.net